

# Sustainability Goals: Tracking Our Progress

## Climate Action


We support the adaptation of alternative fuels and are testing new technologies as they become available. We are investing in new low-carbon or zero-carbon emission technologies, developing and installing advanced air quality systems and partnering with organizations and stakeholders to support our decarbonization efforts.

Our Goals	Our FY2021 Progress	
Achieve 20% carbon intensity reduction relative to our 2019 baseline measured in both grams of CO <sub>2</sub> e per ALB-km and kilograms of CO <sub>2</sub> e per ALBD	On Track	Due to the global pandemic-caused pause in guest cruise operations, our 2021 carbon intensity metrics were not comparable to historical performance; however, our decarbonization efforts have not paused
Reduce absolute particulate matter air emissions by 50% relative to our 2015 baseline	On Track	We expect to achieve this goal upon full resumption of guest cruise operations
Increase fleet shore power connection capability to 60% of the fleet	On Track	46% of the fleet has shore power connection capability
Expand liquefied natural gas (LNG) program	On Track	Six LNG ships currently in operation across the fleet
Optimize the reach and performance of our Advanced Air Quality Systems (AAQS) program	On Track	90% of the fleet has an AAQS installed <sup>1</sup>
Expand battery, fuel cell and biofuel capabilities	On Track	<ul style="list-style-type: none"><li>Installing a lithium-ion battery storage system</li><li>Installing fuel cells powered by hydrogen derived from methanol</li><li>Evaluating biofuel options</li></ul>
Reduce scope 3 (indirect) emissions associated with food procurement and waste management	Ongoing	Started the process to baseline scope 3 emissions
Identify carbon offset options only when energy efficiency options have been exhausted	Ongoing	Continuing to monitor the carbon offset market and options, as well as exploring carbon capture and storage opportunities

<sup>1</sup>Excluding LNG ships

## Circular Economy

As the world shifts towards a circular economy model where materials flow around a ‘closed loop’ system, we are shifting how we work with our supply chain partners to reduce waste.

Our Goals	Our FY2021 Progress	
Achieve 50% single-use plastic item reduction by 2021	Achieved	
Achieve 30% food waste reduction per person by 2022 and 50% food waste per person reduction by 2030	On Track	Achieved 24% reduction
Increase Advanced Waste Water Treatment System coverage to >75% of our fleet capacity	On Track	Achieved 59% coverage of fleet capacity
Send a larger percentage of waste to waste-to-energy facilities where practical	Ongoing	Started the process to determine our baseline
Partner with primary vendors to reduce upstream packaging volumes	Ongoing	Began discussions with vendors

## Good Health & Well-Being

Our employees are at the heart of our operation, and we are working on expanding our well-being programs to support their physical and mental health, encourage social connectivity with family and friends and promote a balanced lifestyle.

Our Goals	Our FY2021 Progress	
Committed to continued job creation	Ongoing	<ul style="list-style-type: none"><li>Increased the number of employees on board certain numbers of our ships from the reduced levels during the pause in guest cruise operations</li><li>Opened a significant number of shoreside positions</li></ul>
Establish measurable Company Culture metrics in 2021 and set annual improvement targets	Ongoing	Shifted the date to establish Culture metrics to FY2022 and completed the following: <ul style="list-style-type: none"><li>Launched an employee survey program aligned with the company Culture Essentials</li><li>Introduced training sessions and internal communications to promote the Culture Essentials program</li></ul>
Reduce the number of guest and crew work-related injuries	Ongoing	Continued to implement initiatives to prevent guest and crew injuries

Implement global well-being standards by 2023	Ongoing	<ul style="list-style-type: none"><li>Increased focus on shore and shipboard employee outreach and wellness with focus on their unique needs</li><li>Worked with governmental authorities to arrange COVID-19 vaccinations and boosters for our crew members, many of whom otherwise may not have had access to vaccines</li><li>Worked with several leading public health, epidemiological and policy experts to put in place comprehensive health and safety protocols across the entire cruise experience</li><li>Altered our shoreside operations to allow for remote working where possible</li></ul>
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## Sustainable Tourism

As we travel the world, we have the privilege to explore many cultures and environments. It is our collective responsibility to respect and help them maintain their culture, history and natural resources.

Our Goals	Our FY2021 Progress	
Animal welfare <ul style="list-style-type: none"><li>Achieve 100% cage-free eggs by the end of 2025</li><li>Achieve 100% responsible chicken sourcing by end of 2025</li><li>Achieve 100% gestation crate-free pork by end of 2025</li></ul>	Ongoing	Continued to work with our supply chain and published a glidepath indicating planned progress toward our goals
Establish partnerships with destinations focused on sustainable economic development, preservation of local traditions and capacity management	Ongoing	Costa Cruises kicked-off its 'Traditions in the Future' project, supporting the preservation of traditional arts and crafts to a new generation of artisans
Continue to support disaster resilience, relief and recovery efforts	Ongoing	Supported disaster relief efforts to the victims of the La Soufrière volcano eruption in St. Vincent & the Grenadines, as well as communities in Barbados, which were impacted by the plume of volcanic ash
Build stronger community relationships in our employment bases and destinations via employee volunteering programs	Ongoing	<ul style="list-style-type: none"><li>Our P&amp;O Cruises and Cunard brand, partnered with Travelife, a leading certification initiative supporting tour operations and travel agencies toward sustainable tourism</li><li>Our European brands donated over 20 tons of food items to address hunger throughout communities in need in partnership with three regional initiatives: European Foodbank, UK Harvest, and the Banco Alimentare</li></ul>

## Biodiversity & Conservation

Our efforts are focused on implementing best practices across our operations, investing in programs that support biodiversity and conservation, working with our supply chain and partnering with the communities we visit to help maintain and improve their ecosystems.

Our Goals	Our FY2021 Progress	
Support biodiversity and conservation initiatives through select NGO partnerships	Ongoing	<p>Joined the Ocean 100 Dialogues during the first quarter of FY2022. The initiative is supported by the World Economic Forum and accelerates ocean stewardship with a focus on climate change, biodiversity loss and equity; this initiative focuses on both Biodiversity &amp; Conservation and also supports Climate Action</p> <p>Through the ports we own and operate, we:</p> <ul style="list-style-type: none"><li>Created a new mangrove nursery in one of our ports and transplanted 20 mangroves</li><li>Planted approximately 200 trees within our port facilities and the local communities and 800 ornamental plants in our port facilities</li><li>Collected approximately 500 bags of waste and almost 3 metric tons of tires through coastal cleanup initiatives</li></ul>
Conduct audits and monitor animal encounter excursions regularly	Ongoing	Developed and conducted a sustainability survey to establish a baseline of sustainability practices, programs and certifications in place by shore excursion providers

## Diversity, Equity & Inclusion

Our success depends on the diversity, talent and dedication of our global employee base. We strive to provide an inclusive and supportive work environment with equal opportunities for professional growth throughout their career path.

Our Goals	Our FY2021 Progress	
Ensure our overall shoreside employee base reflects the diversity of the world	Ongoing	We returned thousands of shipboard employees from countries around the world to the fleet in support of the restart of guest cruise operations
Expand shipboard and shoreside diversity, equity and inclusion across all ranks and departments	Ongoing	<ul style="list-style-type: none"><li>Earned a perfect score of 100 for the 5th consecutive year from the Human Rights Campaign (HRC) and designation as one of the Best Places to Work for LGBTQ+ Equality</li><li>Named as one of the World's Top Female-Friendly Companies by Forbes</li><li>Recognized on Newsweek's ranking of America's Most Responsible Companies</li><li>Named as one of America's Best Led Companies by Inc.</li><li>Named as one of the World's Best Employers by Forbes</li><li>Named a Glassdoor Employees' Choice Award winner for Best Places to Work</li><li>Continued to work with Catalyst, the leading U.S. nonprofit with the mission to expand opportunities for women</li></ul>